

SPECIAL MEETING

CRANSTON SCHOOL COMMITTEE

TUESDAY, AUGUST 3, 2004

WILLIAM A. BRIGGS BUILDING (REED CONFERENCE ROOM)

845 PARK AVENUE

EXECUTIVE SESSION: 6:45 P.M.

SPECIAL PUBLIC MEETING: FOLLOWING EXECUTIVE SESSION

PUBLIC WORK SESSION: FOLLOWING SPECIAL PUBLIC MEETING

MINUTES

A special meeting of the Cranston School Committee was held on the evening of the above date at the William A. Briggs Building in the Reed Conference Room with the following members present: Mr. Cardarelli (arrived at 6:57 p.m.), Mr. Drager, Mr. Eramian (arrived at 8:10 p.m.), Mr. Lupino (arrived at 6:57 p.m.), Mr. Palumbo, Mr. Stycos, and Mrs. White. Also present were Mrs. Ciarlo, Mr. Scherzer, Mr. Balducci, Mr. Votto, and Attorney Moss Sidell.

The meeting was called to order at 6:50 p.m.

The roll was called.

It was moved, seconded and unanimously carried that the members adjourn to Executive Session to discuss personnel pursuant to RI

State Law 42-46-5(1) and contract and litigation pursuant to RI State Law 42-46-5(2).

The meeting reconvened at 7:42 p.m.

Moved by Mr. Drager, seconded by Mr. Lupino and unanimously carried that the August 3, 2004 Executive Session minutes remain confidential.

I. SPEAKERS – Agenda Items

There were no speakers on agenda items.

II. RESOLUTIONS

ADMINISTRATION

PERSONNEL

NO. 04-8-1– RESOLVED, that at the recommendation of the Superintendent, the appointment of Director of Special Education, be approved.

Moved by Mr. Cardarelli and seconded by Mr. Lupino that this Resolution be adopted.

Mrs. Ciarlo stated that this Resolution was to appoint a Director of Special Education replacing Cheryl Coogan. Mrs. Ciarlo recommended Jerry Schimmel as Director of Special Education. He comes to Cranston from Burrillville High School and has been educated at Simmons College. He has his Masters and Bachelor Degrees from Bridgewater State College and Simmons College. He continued his education at Providence College, Rhode Island College, and Lesley College. He has an excellent background in private industry as well before he came into education. He has a lot of energy and is enthusiastic. Mrs. Ciarlo recommended Mr. Schimmel to the committee without reservation.

This Resolution was adopted unanimously.

Mrs. White noted for the record that Mr. Eramian would be arriving late for this meeting.

NO. 04-8-2 – RESOLVED, that at the recommendation of the Superintendent, the appointment of Assistant Principal, be approved.

Moved by Mr. Cardarelli and seconded by Mr. Lupino that this Resolution be adopted.

Mrs. Ciarlo stated that this Resolution was to recommend an Assistant Principal, and the assignment would be at Bain Middle School. It was Mrs. Ciarlo's pleasure to recommend Suzanne Coutu for this position. Suzanne has fifteen years experience. Her education includes Providence College where she received her BS Degree and Masters Degree. She was also a member of the Rhode Island Principal Residency Network and trained as an aspiring principal. She began her career as an English teacher and has been an administrative intern. Mrs. Ciarlo added that it was always nice to see people from within the ranks wanting to move into administrative positions. Mrs. Ciarlo recommended Suzanne to the committee without reservation.

This Resolution was adopted unanimously.

NO. 04-8-3 - RESOLVED, that at the recommendation of the Superintendent, the following certified personnel be appointed for the 2004-2005 school year:

Maria A. Houston – salary to be at the first step of the prevailing salary schedule

Education - Rhode Island College, B.A.

Experience - Pawtucket Public Schools - Substitute

Certification - Special Education Middle/Secondary

Assignment - Cranston High School East, Special Education, 1.0 FTE

Effective Date of Employment - August 31, 2004

Authorization - Replacement

Fiscal Note: 11332031 512100

Russell Turk – salary to be at the third step plus Masters of the prevailing salary schedule

Education - Northeastern Illinois University, B.A.; University of Illinois, M.S.

Experience - Chicago Public Schools

Certification - Special Education, Middle/Secondary

Assignment – Cranston High School West, Special Education, 1.0 FTE

Effective Date of Employment - August 31, 2004

Authorization - Replacement

Fiscal Note: 12632031 512100

Moved by Mr. Cardarelli, seconded by Mr. Lupino and unanimously carried that this Resolution be adopted.

NO. 04-8-4 - RESOLVED, that at the recommendation of the Superintendent, said certified personnel be recalled from termination, and

Be it further RESOLVED that the Superintendent notify those teachers of the Committee's action.

Moved by Mr. Cardarelli, seconded by Mr. Lupino and unanimously carried that this Resolution be adopted.

Moved by Mr. Cardarelli, seconded by Mr. Lupino and unanimously carried that the meeting be adjourned to the Work Session.

There being no further business to come before the meeting, it was adjourned to the Work Session at 7:47 p.m.

III. ADJOURN TO PUBLIC WORK SESSION

Mrs. White convened the Work Session at 7:48 p.m.

1. Progress Report for Performance Audit – The Abrahams Group

Mrs. White noted for the record that the School Committee attorney, Mr. Moss Sidell, was present. Councilwoman Fogarty was present along with Mr. Paul Grimes from City Hall. Mrs. Ciarlo introduced Mr. Mark Abrahams from the Abrahams Group. Mrs. Ciarlo

stated that the school department administration has been meeting with the Abrahams Group both now and while she was out ill relative to the audit. Most recently, she had an opportunity to meet with them and meet the educator on the team, and that meeting took place on July 20th. Mrs. Ciarlo felt that after that meeting it was important that a progress report be given to the School Committee because this is an important document that she hoped would be helpful to the school department. Administration wanted an opportunity to find out where they are now and where they are going. She thought it would be most appropriate for Mr. Abrahams to come to this meeting.

Mrs. White thanked Mr. Abrahams for attending this meeting. Mr. Abrahams prepared an outline (copy of which is attached for the record), which he distributed to the School Committee and school administration. Mr. Lupino stated to Mr. Abrahams that he had given the committee a copy of the outline which was titled "Cranston Public Schools Performance Audit." He further commented that he had received a letter from Mr. Grimes dated July 26th, and in the first paragraph of his letter, he called it a "Financial and Program Audit." Mr. Lupino asked Mr. Abrahams what his contract stated. He asked if it was performance, program, or financial. Mr. Abrahams responded that there was language of all three, but the RFP talked about the Performance Audit of Cranston Public Schools. It had some specific tasks associated with that scope. He indicated that he would like to have an opportunity to walk through those tasks and try to clarify it. He thought it would be nice for the School Committee to understand what they were asked to do. The first are the Objectives; secondly,

where they are in this process; and thirdly, the wrap-up to get a sense of the timing and a sense of scope and a sense of where they are. Mr. Lupino commented that the actual RFP stated Performance Audit, and Mr. Abrahams concurred.

Mr. Abrahams stated that there were essentially eight objectives or tasks associated with his study. Mrs. Ciarlo interrupted and noted that these eight tasks were given to the School Committee, but the status was not given. Mr. Abrahams continued that the report is being formulated around these eight tasks, chapters, and objectives. He briefly updated the committee as to what each of these tasks were and the basic objective or scope of each task. They are as follows:

Task 1 – Staffing Analysis – Develop a baseline of the Cranston School Department Staffing FY 2003 (2002/2003) and FY 2004 (2003/2004).

Mr. Abrahams commented that originally this was backed up approximately six months. By the time the project got started, Abrahams Group suggested that they develop the staffing analysis based on fiscal years rather than on calendar years. Therefore, the fiscal 2003/2004 years are the subject of Task 1. This is essentially who is your staff of the roughly 1,400 people that you employ. In addition, this section will also contain some comparative information of the Rhode Island Association of School Committees, comparative teacher and comparative salary type of data.

Mrs. White stated to Mr. Abrahams that he did realize that the books that are out there are not up to date. Many contracts are still in process when those are being developed. She asked if this was taken into consideration when he compared them. Mr. Abrahams responded that what they did is to report out on a comparative basis what those data are. Mrs. White responded that it was not all accurate, and Mr. Abrahams noted that it was being reviewed with the school department staff. They have received some information back on the salaries. Mrs. White stated that she was assuming they used the same information that came up in the book to compare because they used information from the Rhode Island Association of School Committees. This School Committee gets a copy of that book. When one looks at that copy when it is printed, that information is not all accurate. Some communities are still in contract, some are in the process of contracts, and also many times one is not comparing apples to apples. In looking at the Superintendent's salary, Mrs. Ciarlo makes a certain amount, but her contract is very different than the Superintendent's salary in Warwick. He makes more than Mrs. Ciarlo, but assume for the moment that he makes \$10,000 less than Mrs. Ciarlo, but he has many hidden other hidden items in his contract. Unless one went very deep into what is in the contract, one is not comparing apples to apples. She asked how deep Mr.

Abrahams went into the document. Mr. Abrahams responded that they compared the data that was provided. Mrs. White responded that they did not go that deep into the data.

Mr. Drager asked, with regard to the staffing analysis, if they had compared it to the other Ring Communities, and Mr. Abrahams said that they did not compare it. Mrs. White asked what communities they compared it to, and Mr. Abrahams responded that they did not compare the staffing analysis to any communities. They did compare the comparative spending analysis to the Ring Communities.

Mr. Drager stated that the original scope of work called to look at FY 2002 and FY 2003. He asked if they did 2003/2004, and Mr. Abrahams said they did. Mr. Palumbo stated that the base line was established more on 2003/2004 rather than on 2002/2003, and Mr. Abrahams indicated that this was correct. Mr. Palumbo asked that when they made their comparative spending analysis on the past two years, did they use the Ring Communities in every instance, and Mr. Abrahams indicated that they had. Mr. Palumbo asked if they were comparing this system with communities of approximately the same size, and Mr. Abrahams said they did.

Mr. Stycos suggested allowing Mr. Abrahams to go through his presentation, and then the School Committee could ask questions

Task 2 – Comparative Spending Analysis – conduct an evaluation of

Cranston Public Schools' spending as compared to other similar sized school systems in Rhode Island using FY 2003 InSite comparative data.

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Task 3 – Financial Forecast – prepare a financial forecast of school spending based on current fiscal 2005 staffing and programs continuing in future years.

Mr. Abrahams commented that it was a base line of the district's 04-05 budget as proved this past June.

Task 4 - Budget Review and Management Reporting and Control System Evaluation.

Mr. Abrahams noted that originally the Budget Review was Task 3 and the Internal Review was Task 4. Since a lot of the internal controls dealt with budget and since the budget obviously dealt with budget, they combined the two to make revised Task 4. So, the Budget Review and Management Reporting and Control System Evaluation are now Chapter 4. He noted the objectives for this task which were: (1) to establish a baseline of spending as opposed to staffing and spending for Cranston Public Schools; (2) to determine the extent to which line items have been over or under expended; and

(3) to determine the extent to which the Cranston School Department maintains sufficient internal controls over the following areas: budget, finance, personnel and job assignments.

Task 5 – Personnel Resources and Capital Asset Utilization – determine the extent to which (1) personnel and capital assets are over/under utilized; (2) controls are in place to minimize the misallocation of physical assets, primarily vehicles; and (3) buildings and vehicles are properly maintained.

Task 6 – Course Offerings, Class Sizes, and Scheduling – determine the extent to which course offerings, class sizes and schedules exceed state, federal or other mandates.

Task 7 – School Building Facilities – determine whether existing school facilities provide sufficient capacity for the school system through the next 10 years.

Task 8 – Bus Transportation System Cost Analysis – identify potential cost savings through alternative busing arrangements.

Mr. Abrahams commented that there was originally a Task 9 which essentially summarized everything, and they included it in an executive summary. He explained that the tasks were what they were asked to do, and the status report that follows summarizes what they did.

Mr. Cardarelli asked how many education institutions his firm had audited, and Mr. Abrahams indicated that his firm had audited approximately six. Mr. Cardarelli asked, of those six, how many were districts of this size, and Mr. Abrahams responded that he

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didn't think any were the size of Cranston. Mr. Cardarelli asked if they were larger or smaller than Cranston, and Mr. Abrahams responded that they were smaller. Mr. Cardarelli asked, of the education team that comprises the audit team, who comprised the education audit, and Mr. Abrahams responded that there is one superintendent who is retired. There are other people who have worked in the educational area and other governmental areas. There have been approximately seven people. Mr. Cardarelli asked where in these eight tasks would the health care costs, specifically the health care account where the projected health care costs that would be carried over into the following year, would be, and Mr. Abrahams said it would be noted in Task 3, Financial Forecast. One would see forecasted numbers for health care costs for 2006, 2007, and 2008. It would be based on the base line of the fiscal 2005 budget as approved in June. Mr. Cardarelli asked Mr. Abrahams, from his standpoint, what exactly does he do with regard to the question of "are we projecting enough" or is the school department using the right formulas for health care costs, and are we budgeting enough for

health care costs for the future. Mr. Cardarelli noted that he knew that Blue Cross set the rate, but for those claims that will be incurred during one year and then reported in the next year, he asked if a formula is used. He asked if this would be audited to make sure the district is abreast of it. Mr. Abrahams responded that this was a major point of the Caruolo action, but they did project it forward based on the 2005 numbers.

Mr. Drager asked that with respect to the modification of the tasks, who gave Mr. Abrahams direction to modify them such as Task 4 to combine the two. Mr. Abrahams responded that there was no modification. The reason why they suggested combining the two was because there was a lot of overlap in terms of viewing the budget and viewing the controls of the budget. They were hoping that by combining the two the overlaps would not exist; the committee wouldn't see it, but the staff has seen both chapters. Mr. Drager asked who authorized this modification, and Mr. Abrahams indicated that the city authorized it. Mr. Drager asked if the city recommended going into FY 03-04, and Mr. Abrahams said that this was discussed at the beginning of the project. The original scope at the start of the project was started three, four, five, six months later than originally contemplated, and, therefore, the available data for the fiscal year became more available and more relevant.

Mr. Palumbo stated to Mr. Abrahams that he didn't see much in the report that referred to educational goals. He saw spending analysis,

spending in the financial forecast, budget review and controls. The only thing that remotely comes to educational goals are the course offerings, class sizes, and schedules. He asked Mr. Abrahams if he addressed the success this system has had in the past and what the district is to do to keep this success. Mr. Abrahams responded that he would characterize the scope as an efficiency study. He would not characterize the scope as an effective study. Again, this was the scope given to them, and they are fulfilling this scope. He told Mr. Palumbo that he was correct that the analysis, the objectives here, deal more with cost savings than they do with effectiveness. He further commented that Superintendent Ciarlo

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would speak eloquently on this. He asked Mr. Palumbo to understand that they were not asked to do an effectiveness study. The district probably should have an effectiveness study conducted and a cost effectiveness study conducted, but they were not asked to do such a study. It is important to clarify this, and he was glad that Mr. Palumbo asked the question. Mr. Palumbo stated that a performance audit is how well a district is performing. He saw very little in this report of how well the district is performing. If the district is just going to know what could be saved and what couldn't be saved, and the district goes by the facts that have been published, this district has the lowest per pupil cost of any Ring Community and has the highest success rate of any Ring Community. The district has received

outstanding reports from both the state and national government. To do a study without taking into consideration the results, it truly is not looking at the performance of this school department in terms of educational goals. When one is dealing with the commodity the committee is dealing with, which is people, it is not the same as making a product. When one is dealing with students and dealing with all the various items that the state and federal government puts upon the district, to call it a performance audit, one would have to look at how well the system is performing and looking overall at what is being spent. This district comes out the lowest in spending on the state charts, and compared to Ring Communities, time and time again, with staffing, etc., this district ends up below the others. The only reason Cranston doesn't look the lowest of all the Ring Communities is due to the fact that some of them haven't bothered to submit their figures because they are still negotiating their contracts. This doesn't seem to be truly a performance audit; it just seems to be a financial audit, and this is misleading. Mr. Abrahams responded that it is what it is; they were given a scope, and he believed that after the Auditor General conducted his work here, that a lot of these, and not all of these tasks, were suggested by that group. They termed it a performance audit, and Mr. Abrahams said that he was glad for the opportunity to explain to the School Committee what his group was asked to do. He would still say that the committee may still want to, and probably should, conduct an effectiveness and possibly a cost effectiveness audit. If the RPF said a performance audit and the RFP said eight tasks and specific

objectives similar to these, then this is what they were asked to do. It is very helpful to have this discussion to explain what they were asked to do and what they were not asked to do.

Mrs. White asked if the school department had a copy of the RFP, and if not, she would like the School Committee to see a copy of the RFP. Mrs. White asked Mr. Grimes to forward a copy of the RFP to the committee members.

Mr. Stycos asked if Mr. Abrahams had all of the information to conduct his work and if he felt the material provided so far was provided in a timely manner. Mr. Abrahams responded that they had sufficient information to complete their work. They documented the meetings and the timetable from November, when this contract was executed, to their first date of request in December through various meetings and various correspondence. He further indicated that he would characterize it as slow, and

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he knew that this was an issue that had been raised. They have the data they need for now, and a lot of that data has been given to the school department, and they are currently going through reviews. Their last meeting was July 20th, and they are running into some vacation schedules presently. He characterized the July 20th meeting as very constructive and very productive. They have been extended

to September 30th for the final report, and it was important for the committee to know this. They went to the Board of Contract and Purchase meeting this evening, and it was by unanimous vote to extend his firm to September 30th in order to give the school department ample time to review their chapters and comment on them. He further indicated that he was using the term that he wanted to be fair in this report. He has used this term several times with school administration. He felt it was important to recognize that the district's spending is low on a comparative basis in comparison to others. He would not say that it was the lowest, and he didn't want to get into finance; but the committee has seen the RIDE data and seen the Association of School Committees' data. Whether or not they can debate as to the level of detail, they were trying to show a picture of spending, patterns of spending, patterns of staffing, patterns of RIDE 32 functional data, and the committee is going to get a lot of data in this report. There are schedule and tables, and it will take time to review all of this data. The school department staff is providing additional data in order to be fair in the presentation.

Mr. Stycos commented that he was familiar with reports done by the General Accounting Office. When that office audits a federal agency, they come up with their report, give it to the federal agency, and the federal agency then makes comments on their findings. They tell them what they agree and disagree on. Mr. Stycos asked if there would be that opportunity for the administration in this report, and Mr. Abrahams responded that there has been that opportunity in

several chapters. They have received feedback on the transportation chapter and on the budget internal control chapter. They are working through several other issues on other chapters, and there are chapters where his firm is still awaiting comments; for example, Task 6 Scheduling. The firm also wants to take that opportunity to receive comments, rework it, and get it back to the school department for another review.

Mrs. Ciarlo commented that the school administration has found data in one of the reports that came back relative to staffing. It is the way that people perceive the classification. The district does not put under special education the social workers, speech therapists, etc. because they are hired by the school system to be available to all students. They become special education when they are working with a student with an IEP. Sometimes when the question arises as to why there are X number of special education personnel in a building it is because they were counted with people who are considered as part of regular education, and this must be clarified. With regard to the School Committee report, last year was not a good year for people to be reporting it. One of the things that would be helpful is if there was a job description, for example, for the school business administrator. If the Abrahams Group had a job description from

another community, and then looked at Cranston's, it would not be a building administrator; it is a plant operations and building administrator. Cranston has consolidated it; it is not just managing the business but being responsible for the non-certified personnel which is a world of difference from being a business manager. The same holds true for personnel and human resources. Some people give interviews and don't get into grievances and arbitration, etc. In all fairness, when looking at salaries, one has to look at the person's responsibilities. They are not the same, because Cranston has been unique in that she has changed the Organizational Chart every year trying to consolidate in order to save money. For example, one elementary school has a principal who is also director of library services. By just looking at the chart, one would never know what that person's responsibilities are. This needs to be worked out so that the report accurately reflects what it is.

Mr. Sidell commented to Mr. Abrahams that he had been asked previously how many audits his firm had performed, and he had indicated six. He said that this was the largest school system that his firm had performed an audit. In response to Mr. Sidell's question as to where his firm is based, Mr. Abrahams said that it was based in Framingham, Massachusetts. Mr. Sidell asked how many of the six audits were done in Rhode Island, and Mr. Abrahams said that none were done in Rhode Island. Mr. Sidell asked what the familiarity was of the educator employed by the firm with Rhode Island requirements of education, and Mr. Abrahams said that he was employed 32 years

in education in Massachusetts. Mr. Sidell remarked that the education person had no experience with regard to Rhode Island requirements, and Mr. Abrahams remarked that this was correct. Mr. Sidell asked Mr. Abrahams if he were familiar with the statute that this audit was based on, and he said that he was familiar with it. Mr. Sidell commented that the Caruolo Act asked for a financial and program audit and asked how Mr. Abrahams would differ this from the audits he has performed and the scope he has been asked to do. Mr. Abrahams stated that he was asked for a specific scope which resulted in these eight tasks. Mr. Sidell stated that this statute mandates a financial and program audit. He asked if this School Committee, which it did, started an action and filed an action against the city of the Caruolo Act, then it is required to have a financial and program audit to be paid by the School Committee. From an accounting point of view, Mr. Sidell asked Mr. Abrahams what the difference was between what this says of a financial and program audit and what his firm has done. Mr. Abrahams responded that he could not speak to the financial and program audit, but he could speak about what his firm was specifically asked to do. Mr. Sidell asked Mr. Abrahams if what he was saying was that what his firm did was different from a financial and program audit. Mr. Abrahams responded that this was not what he said. Mr. Sidell asked Mr. Abrahams why he couldn't differentiate between them. Mr. Sidell stated that this is what was required by the statute, and he was trying to understand whether what was done was above what the minimum requirements are in the statute. Mr. Abrahams stated that he didn't

know if he could answer that question this evening. Mr. Sidell asked Mr. Abrahams if had received progress payments for his work, and he said that he had. Mr.

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Sidell asked who paid him, and Mr. Abrahams said that he received a check from the city. Mr. Sidell asked approximately how much he had been paid thus far, and Mr. Abrahams responded that he had been paid in excess of \$100,000, but he didn't know the exact amount. Mr. Sidell stated that it appeared that the bill has increased somewhat over the original contract, and Mr. Abrahams said that this was correct. Mr. Sidell asked how this came about and why. Mr. Abrahams responded that the school department had received a letter from Mr. Grimes which explains it. Mr. Sidell told Mr. Abrahams that he was asking him to explain it because he was the one doing the work. Mr. Abrahams stated that he had alluded to it earlier with respect to the data collection effort and the time involved in that effort. Mr. Grimes's letter speaks to that issue.

Mr. Sidell asked if this firm had an educator advising them who had no experience in Rhode Island, how could he expect to have a fair reading of what is required under Rhode Island law. Mr. Abrahams responded that objectivity sometimes is a help in such a study, and he thought that they had spent the time to understand the requirements in Rhode Island. He thought it was a nice combination.

Mr. Sidell asked what the role was of this particular educator in this study. Mr. Abrahams said that he was particularly involved in Task 6 and Task 7. Mr. Abrahams asked who out of this firm then was responsible for reviewing the Rhode Island requirements of mandated funding. Mr. Abrahams said that the same person was, the educator.

Mrs. Ciarlo referred to some of the Title 1 issues and how they change over the years. These issues will have to be worked out with the educator in the group. She also noted that the State of Rhode Island superimposes regulations on top of the federal regulations. Rhode Island has over and above what is done in Massachusetts. Mrs. White asked if it would be fair to say that if there was a Rhode Island educator would it have taken less time because that person would have known the Rhode Island rules and laws. She asked if it took more time because he was not a Rhode Islander, and Mr. Abrahams responded that he did not think that would be the case because he was not involved in all of the data requirements that took time. Mrs. White stated that he was involved with those two tasks, for example, special education, but he doesn't know what the rules are in Rhode Island or the mandates.

Mr. Lupino stated that it was his understanding, and he indicated that he was not speaking for anyone else around this table, that the Auditor General offered at one time to do a financial audit of the schools for free. Mr. Lupino further commented that it was his

contention that since Mr. Abrahams had outlined that a portion of this was financial in nature that substantial dollars could have been saved had that been done prior to the firm starting the performance audit. Mr. Lupino said that he still believed that performance means the educational comparison or the educational success of a district as compared to others.

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Mr. Lupino referred to Task 2 and indicated that the Abrahams Group had used the InSite Report, and they quoted fiscal year 2003, and up above they had indicated 2002-2003. In year's past, that was not the case. The date for the InSite Report was the date they started to collect the data, but it was much older than that. He asked Mr. Abrahams if that InSite date was from years 2002-2003, and Mr. Abrahams said that it was.

Mr. Lupino referred to Task 3 and noted that Mr. Abrahams had mentioned earlier that the educational person was not involved in this portion, yet to have a forecast of school spending, he asked Mr. Abrahams if he had taken into consideration the latest state mandates. He noted that most recently the districts were told about the extension of school day and study time not being included into the school day, and asked if those would be spelled out that those

latest mandates would be included in that projection. In response, Mr. Abrahams said that his group is in discussions with school administration concerning the unfunded mandates. In fact, he has edited the chapter already, but he needs to have discussions with Mr. Scaffardi. Mr. Cardarelli commented that it is on the administration's shoulders to bring the concerns to Abrahams Group regarding the unfunded mandates and bring home the point to this firm. Mr. Lupino commented that he wanted to make sure that the latest mandates were included. Mrs. White felt that this firm should be doing it and not the school administration. Mr. Cardarelli added that the committee wants the report to be as accurate as possible, and the committee and administration have to make their case to this firm. It is in their best interest to make it as accurate as possible. The school department cannot afford to take any chances. Mrs. White added that for \$100,000 she would hope that this firm would not be taking any chances.

Mr. Lupino referred to Task 7 and asked Mr. Abrahams where he had obtained his data for this section. Mr. Abrahams said that he had obtained the data from NESDEC and City Planning. Mr. Lupino asked Mr. Abrahams if he had included in that latest demographic data from the city the number of families moving into what were formerly empty nester homes. Mr. Lupino explained that there has been quite a bit of this during the past couple of years, and that data is available through other sources other than the City Planner. The School Committee doesn't get that information from the Planning Office; it

never comes into a factor, and it is a very big factor especially on the eastern side of the city where there was a declining enrollment for many years and still projected to be a level enrollment where he sees this as a very big problem in the future. There are many empty nesters, and for one reason or the other, whether it is the tax rate or they cannot afford their homes any more, there is an omission of data that should come into this.

Mr. Lupino referred to Task 8 and asked Mr. Abrahams how many years he had projected out cost savings through alternative busing arrangements. Mr. Lupino explained that he has had conversations with other School Committee members from

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other districts and transportation people from other districts, and the initial savings that they counted on evaporated after three years. They sold their fleet and were at the mercy of the bidding process. Some of the competitors went away and some of them became unionized also. Therefore, what was initially that first year's savings or projected over the three years' savings fizzled after three years. Many of them actually tried to beat on Mr. Zisseron's door to find out how he runs this system. Many of the districts got rid of their busing because it is a headache, but if it is done properly, it can be a benefit. Mr. Abrahams responded that he did not project it out over a certain number of years. They looked at other communities and made sure

that those issues did not appear, and he is pretty comfortable with this analysis.

Mr. Lupino told Mr. Abrahams that there were opportunities for the school administration to look over some data and asked what other entities and opportunities were available because that opportunity was not afforded the School Committee. He has never seen any data coming across his desk or in his hands. He asked what other entities in the city were afforded this same opportunity. Mr. Abrahams said that city administration has received copies of the draft that had been submitted to the school department. Mr. Lupino asked why the School Committee wouldn't have received this data. Mr. Abrahams responded that he felt the data has not been validated until the school department reads it and until the consultant from the school department agreed or disagreed with him, and at that point, it would be ready to go to the committee. Mr. Sidell asked Mr. Abrahams why the city would have received it if it is raw information, and why would the city receive it and not the School Committee. He did not understand what the difference would be. Mr. Abrahams stated that this was not a normal consulting engagement where normally one would have a consultant come in and the components are the entity. Because of the nature of it, the contract with the city to perform a performance audit on the school department, it is a different type of contractual structure. Technically the city is their client, and, therefore, the city receives copies. Mrs. Ciarlo expressed her concern that a question s may come up, and Mr. Abrahams had

indicated that perhaps some wording had to be changed. Mrs. Ciarlo told him that she didn't feel that either one of them should be changing words. She felt that the errors should be presented and the reason for the errors, and they should either be accepted or rejected, and then the firm make the changes. Neither party should be involved when a third party is doing the audit. Mrs. White told Mr. Abrahams that she found it odd that this was not the ordinary kind of audit. She asked if this had been a witch-hunt to find something or else. It seemed as if this firm had to go and find something. She indicated that she has worked in an accounting firm for over twenty years, and when they did an audit, it was a normal type audit. The charge was not to go find something. She stated that she found this very distasteful. She said that there is something very fishy. She found Mr. Abrahams's comment very odd. Mr. Lupino commented that he did not find it distasteful; he would like to see it as it progresses.

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Mr. Lupino went on further to say that, with regard to the opportunities that were afforded to city administration and school administration, when the report is finalized or the draft is ready before it is released, he asked who it would be released to and in what form. He asked if the School Committee would be involved in that situation.

Mr. Abrahams responded that what they will see is a draft of a final report issued simultaneously to the city, the school department, and the committee. He thought they would be given time to read the report and that it would be presented at a joint City Council/School Committee meeting to be scheduled sometime probably the latter part of September. Mr. Lupino asked if the draft would go to the press also at that time or if it was considered a confidential document at that time until the committee has had a chance to review it, and Mr. Grimes responded that there are no plans to release a draft document either to the School Committee or to the City Council; it is not prudent to release a draft before the consulted engagement to a policy making body. The administration on the school side and administration on the city side will see the draft documents. They will go over it with regard to concerns or issues just as Mrs. Ciarlo has expressed concerns regarding the language and made suggestions. He felt that Mr. Abrahams, in all fairness, is going to incorporate many of them and the same goes for the city side. The final report is what the School Committee will get as well as the City Council. The plan is to have a presentation for a joint meeting of the School Committee and City Council. Mrs. White asked Mr. Grimes if she read somewhere that the Abrahams Group did meet with the Finance Committee of the City Council, and Mr. Grimes responded that the City Council had the same exact update the committee is getting today. Mrs. White stated that the School Committee requested this meeting. Mr. Grimes commented that the Council received a progress report on where the audit is. There was no draft data

handed out to them on the findings of the report. Mrs. White said that the committee could request another progress report from the Abrahams Group, and Mr. Abrahams said that they may request it.

Mr. Lupino stated to Mr. Abrahams that he had mentioned in Task 2 that the school department was being compared to Ring school systems. He asked if this was the only area where Cranston was being compared to other Ring districts, and Mr. Abrahams responded that the Rhode Island Association of School Committees' data compares certain data to other districts. The school bus transportation cost analysis compares Cranston with other districts, but he could not remember if they were Ring communities or not. He assumed that some were in it and some were not. They were all Rhode Island districts. Mr. Lupino stated that he could understand the issue of transportation and he could understand the issue of the staffing analysis being compared district wide, but he asked why this firm did not stick with the Ring communities because that is where the Department of Education classifies this school district. With the exception of the busing because some of the communities do not have busing, Mr. Lupino asked why they would use other districts in different areas. He asked why he could not stay consistent with the Ring communities throughout the study, and Mr. Abrahams responded that the area in question would be the Rhode Island Association of School

Committees' data where they found data for those Rhode Island districts because not all Rhode Island districts reported on all data. Perhaps the Ring communities did not report on all data. Mrs. Ciarlo commented that the information submitted to the Rhode Island Association of School Committees is done on a voluntary basis. It is sometimes similar to comparing apples to oranges. Last year was a particularly poor year because a number of communities did not supply information. Mr. Lupino asked if there was a subscript in the report alerting everyone that some districts did not report some of the data, and Mr. Abrahams said that there would be a subscript. Cranston has had this situation before where people interpreted data that showed Cranston at a much higher scale because districts did not report. Mrs. Ciarlo commented that the same would hold true for transportation. Cranston belongs to Area 3, and it buses from Cranston off to the East to Our Lady of Fatima High School in Bristol. Warwick belongs to Area 2, and they only bus Warwick and south. There aren't that many schools that are south of Warwick, so they have far fewer schools that they have to go to. It would be fair to ask how those other communities accommodate the same as Cranston has to accommodate.

Mr. Eramian referred to the Rhode Island Association of School Committees' data and asked if this firm had done any cross verification back to the originating city, and Mr. Abrahams said that they accepted it as they saw it written. Mr. Eramian commented that

the School Committee received their copy of this information last year, and they found out after reading the data, that Cranston School Committee members received life insurance and health care. The data as he has seen it is replete with those types of situations. He asked Mr. Abrahams if the committee could expect when the report comes out and reported on the Rhode Island Association of School Committees' data that it will be presented with a reference to that source. He personally has found it not to be a basis for making a management decision without cross verification. Mr. Abrahams responded that it was clearly based on their data. Mr. Eramian asked that if he read the report would it tell him that the data came from the Rhode Island Association of School Committees, and Mr. Abrahams said that it would. Mr. Eramian asked where the information goes off from Ring communities to other communities if there be a consistent reporting, and Mr. Abrahams said that there would be. Mr. Eramian added that the topic is really not health care or salary; the topic is compensation package. If he picked one school district and discussed salary, and he picked a second school district and discussed how well they do with health care, and picked a third district and discussed how they do with something else, he may find that his compensation package in total is vastly different; but he could re-spin a report to whatever. He asked Mr. Abrahams if the district would have something that is achievable in that it is all three issues where total compensation is discussed or will it be segments or line items within a compensation package. He noted that he cited these only as examples. They could be discussing energy costs

where one district could do extremely well with one part of energy but not doing very well with another. If it is not presented under the grouping and then the subheadings, it is very misleading to the

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reader and very useless as a management tool going forward. He asked how the report would be formatted. Mr. Abrahams responded that when he is trying to present spending patterns and trying to be fair in terms of the data, they take a step back and look at the data as a whole. They can look at each individual piece of data, and they can be a critic of each individual piece. If they look at only salaries, they would not be looking at the total compensation package. One can do that, and he thought that would be a fair criticism. On the other hand, if one took all this data and looked at it as a whole, it tells a story. Mr. Eramian asked if it would be presented as a whole and then with the individual parts which would be the best alternative. Mr. Abrahams responded that, if he was hearing Mr. Eramian's question correctly, he thought it was fair to say that there would be a summary which would present the data as a whole and then there would be individual sections which present each section with a comparative of each section. It would not be the total compensation package, but it would be the particular reportable item. There are many reportable items that tell a story.

Mr. Eramian asked Mr. Abrahams if he had adjusted for length of

school year and working for salary. Mr. Abrahams responded that this data is available, but they have not adjusted for that. Mr. Eramian noted that Cranston has had principals leave here recently who have shaved thirty days off their work year by moving to an adjoining district. That is significant when reporting salaries that more than 10% work year can exist within a small area such as Rhode Island.

Mr. Drager referred to the communities where Mr. Abrahams had done performance audits and the scope of work here, and asked Mr. Abrahams how he would compare them. He asked if they had more performance based objectives, if Cranston had less, if Cranston had more financial based objectives or less. Mr. Abrahams responded that it would be fair to characterize this as more of a financial performance and not a financial audit. There is a clear distinction between a financial audit and an efficiency study or a financial performance focusing on cost savings. Mr. Drager commented that theirs was more for cost savings and efficiency than this one. Mr. Abrahams said that the overall goal of this audit is to find cost savings, and not a witch-hunt, that can be implemented without sacrificing requirements. Mrs. White questioned what this district offers. The committee could eliminate all the sports programs because they are not required, but the committee doesn't want to eliminate them. This firm could tell the district they can save \$500,000 if they take out all the sports, but the district may not want to take out all the sports. This district is not interested in just the requirements because this district offers more than just requirements

because the School Committees today and yesterday feel that this is what they want to afford the students which is an all-around public education. She doesn't think a financial person will care what this community affords the students. It will care what they have to afford them and give them and save on the other end. That is what will go out into the public which will cause havoc.

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With respect to what Cranston Public Schools offers compared to other school districts in Rhode Island, Mr. Drager asked Mr. Abrahams if he checked what this system offers with respect to the arts, music, sports, etc. compared to audits done in Massachusetts and the scope of work. Mr. Abrahams said that all scopes are different. There are no two engagements that are identical. Mr. Drager said that he thought a performance audit was a performance audit. He asked where this audit would fall since he felt it was not a cost effectiveness study. Mr. Abrahams responded that he would call it a financial but not a financial audit. There is a lot of fiscal data with the term finance but it is on performance. Mr. Drager stated that the successes of the Cranston Public Schools won't be placed compared to other successful districts.

Mr. Drager referred to the draft that will be presented to the City and

asked if they could make modifications to the draft, and Mr. Abrahams said that it was fair to say that the city has provided wordsmithing which is different than findings.

Mr. Sidell remarked that, since there was a technical problem, he wished to quickly review what was said for the record of the questions he had asked. He said that he would answer the questions he had asked of Mr. Abrahams, and he would give Mr. Abrahams an opportunity to agree if what he said was accurate just for the efficiency of time. If Mr. Sidell's statement was accurate, Mr. Abrahams' statement is so noted as "correct." If Mr. Sidell's statements were inaccurate, Mr. Abrahams would so note it.

Mr. Sidell stated that he believed Mr. Abrahams had said that he had completed six education audits, none of them in Rhode Island. Correct. This is the largest system that he had audited. Correct. He has one retired superintendent as the education consultant, and he was a retired Massachusetts principal. Mr. Abrahams stated that he was a retired Massachusetts teacher, principal, maybe assistant principal, and superintendent. He never had any direct working experience in the State of Rhode Island. Correct. The other issue Mr. Sidell wanted to reconfirm was that Mr. Abraham's firm has been paid in excess of \$100,000 to this point in time. Correct. He received checks from the City of Cranston from the City itself and not from the school department. Mr. Abrahams responded that the check was titled City of Cranston. He did not know if they came from the school

department or the City of Cranston.

Mr. Sidell asked Mr. Grimes if he knew how the RFP was formulated in comparison to what is in the statute, if they are the true requirements of the Caruolo Act. Mr. Grimes responded that the RFP was actually drafted in 2003 in early March. When the Caruolo matter presented itself and the statute was read in contemplation of the actual RFP, they were still asking the same thing, program and financial audit. That is the genesis of the RFP. Quite frankly, the term performance audit is a loosely used term. It is the performance on a financial basis, performance on a program basis, performance on outcomes. Mr. Sidell commented that from what Mr. Abrahams said it appears that the audit that is in the process of being completed went somewhat beyond the scope of

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what the statute required the School Committee and the school system to pay for. Mr. Abrahams stated earlier that he has added a scope to the audit, and that is why when going over the different tasks, that it seems to involve more than just what the statute appears to require which is a financial and program audit. Mr. Abrahams talked about the performance of the school system which does not appear to be encompassed in the statute. Mr. Abrahams talked about the performance of this system in comparison to other systems. Mr. Grimes responded that this was in terms of financial

and program audit. The state statute does not define financial and program. It is fairly clear that it is how efficiently the district is operating and then go into program. Do the programs being offered meet the requirements? Is the program appropriate and is it necessary? That is what Mr. Grimes understood, the city understood, and apparently what the Auditor General understood when they looked at it as a program and financial audit.

Mr. Sidell indicated that it had also been stated by Mr. Abrahams that the executive branch of the city has been able to comment and have input into the study, and he asked Mr. Grimes if he had stated that as well. Mr. Grimes said that was correct. Mr. Sidell asked Mr. Grimes how one would expect to have an impartial study by an auditor if people that are the client are entitled to comment on that it in progress without other sides being able to have this same opportunity. Mr. Grimes responded that the client would have an opportunity to comment and review what is being done.

Mr. Sidell stated to Mr. Grimes that Mr. Abrahams just reconfirmed, because there was a problem with the record, that his firm has been paid in excess of \$100,000 for this work so far. The statute says that the School Committee is supposed to be paying for this work. Mr. Sidell asked Mr. Grimes how was it that the city has done that without the School Committee authorizing payment and seeing the bills. Mr. Grimes responded that the School Committee really doesn't have a choice. Quite frankly, the statute is very clear that the School

Committee will pay the cost for the performance audit. Mechanically, the city is merely transferring funds. The city is actually making the payment and will be made whole by the schools for the city's own mechanical process to transfer funds. That money will be withheld from transfers so that the city can make whole on the cost of the performance audit. Mr. Sidell responded that he understood this but it appeared to him that the School Committee is required to pay for this, and they should be entitled to see what they are paying for. Mr. Grimes stated that under normal engagements, yes. As Mr. Abrahams mentioned very clearly, this is not a normal engagement. This is an unusual circumstance that is prescribed in state law. The client, who is the city and the chief executive of the city or town, can cause the performance audit or financial audit to occur, and the School Committee pays for it. Mrs. White asked Mr. Grimes if there was a cap where the expense could go as high as \$150,000 or \$160,000. Mr. Grimes responded that there is no cap prescribed in state law. If the cheapest audit they could find was \$250,000, then they would have to pay \$250,000. Fortunately, Mr. Abrahams works cheap. The cap is contract in the city code. If there is a consulting engagement, before making material change to that

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contract, there is up to 15%. So, in this case, there has been an additional \$15,000 to the original cost of the audit. That is within 15% leeway given that it is prescribed in city code. Mrs. White stated that

the audit is not done yet. Mr. Grimes responded that Mr. Abrahams has assured him that unless something is drastically changed; he has said that he will not come back looking for more money, and the city won't give it to him. The only thing the city has asked for is more time to afford the school department an opportunity to comment. Mrs. White asked Mr. Abrahams if he were finished getting paid, and Mr. Grimes responded that Mr. Abrahams is not all finished with the payments; he is all done with the amount of the consulting engagement. The amount of the consulting engagement is \$124,999. Mr. Grimes added that this amounts to 13.6% over the amount.

Mr. Sidell asked Mr. Grimes, is it not though the position of the difference between the city and the School Committee that the city happens to approve an overall budget expenditure, and it is up to the School Committee on how that money is spent? Mr. Grimes responded, yes, and normally the School Department determines how they will spend the money. Mr. Sidell asked if there was a problem with the city giving the School Committee copies of the bills so that they can see what they are paying for. Mr. Grimes responded that he had no problem sharing with them copies of the bills. Mr. Sidell asked Mr. Grimes that before final payment is made, is it possible for the School Committee to see copies of bills from this point forward. Mr. Grimes responded that he had no objection to it.

Mr. Palumbo stated to Mr. Abrahams that he was hearing now that the conditions within the scope of the RFP had been changed after he

received the contract. Mr. Abrahams responded that the financial forecast was added which was a change that was not characterized in the consolidation of Task 4 budget review and management reporting and controls system evaluation. It would be a better read for the school department. Mr. Palumbo asked who requested this, and Mr. Abrahams said it was requested by the city. Mr. Palumbo stated that he believed Councilwoman Fogarty wrote a letter dealing with this particular topic. He didn't have it with him and asked Mrs. Fogarty, who was present, if she recalled what she had written at that time. Mrs. Fogarty stated that her concern was that she had received some information that part of the scope had changed in comparing teachers to others communities in Rhode Island. She was not sure of the item being referred to. The e-mails showed that there was definitely supposed to be a survey that was going out to other communities and that at some point the survey was dropped, and that they were no longer going to be performing that task. She did present that she would refute this with the Board of Contract and Purchase, and, unfortunately, no one responded to her. That she felt was a scope beyond the 15% above.

Mr. Palumbo stated that Mr. Abrahams had alluded to the fact that information wasn't coming in as fast as he would like, but certainly he must be aware that even the

administrators in Cranston Public Schools are entitled to some time off. If that is the case, certainly this should have been thought of before that this type of thing could happen. Being that the number of administrators in the school department are so few, this definitely would take place. Mr. Palumbo asked Mr. Abrahams that keeping all of that in mind, didn't he think it was reasonable to see this in advance. Mr. Abrahams responded that the recent extension through September 30th addresses the time element, and they are facing several vacations. In fact, some of the people here tonight are technically on vacation, and this is recognized. However, at the beginning, the school administrators were busy back in November, December, and January. His group, too, has schedules. In consulting, the longer a project goes, the more costly it is. It is just the nature of consulting work. Without rehashing this, it has been documented that there have been delays in getting data. He felt they now have the data and there would be a good report. He reminded everyone that they are not talking about the report; they were not talking about the findings, the recommendations. All of this discussion has been on overages and clarifying what they were asked to do.

Mr. Cardarelli thanked Mr. Abrahams for coming to this meeting to clarify the tremendous amount of problems with what is going on and taking the time to work this out. Everyone has spent a tremendous amount of time tonight discussing the work performance, and as Mr. Abrahams could see from the committee, they had a huge

interpretation of what performance meant. Mr. Cardarelli referred to the cost effectiveness survey that Mr. Abrahams is performing in the district and asked Mr. Abrahams when they expected to have it completed. Mr. Abrahams responded that he expected to have it finished December 22. Mr. Cardarelli asked if they would be public documents once they are completed, and Mr. Abrahams said that they are all public documents. Mr. Cardarelli asked if it could be shared with the committee because it would give them insight on what that type of survey looks like. Several of the members have been on the committee for a number of years that have been proponents on having this type of survey being done. The committee was always told by the City Council and previously City Councils and administrations that it couldn't be done. This committee would like to know what it looks like, what the costs were and to give them an idea of something that may be within their reach. Since this is going to be done, it may be an item the committee can build on. Mr. Abrahams said that he will know on August 17, and the committee will see him before the end of September. He will get the committee a copy of the letter so that they can see the exact scope and the exact fee which is less than \$40,000. It was a smaller school district, but the analysis would be the same whether it was Boston or somewhere else. He further commented that he has been in the consulting business, and this is one of the first studies of its kind. There are some out there, and when the committee gets the letter they will see, that they can go to those websites, and if they can explain to him those studies, then please explain those studies because he is in the business. He would

characterize them as effectiveness, understanding who performs well in this state, and then selecting, because all school systems are not the same size as Cranston, looking at costs trying to find out whom

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performs as well as or better at less cost, and then going into those districts and finding the data.

Mrs. Ciarlo commented that she appreciated extending the report to September 30th. It recognizes the fact that the information has to be looked at. If this much time has been spent doing this report, then it should be done well. She told the School Committee that this is a big school system, and if they don't leave everyone alone to do teaching and learning, the school system won't be able to continue to do what it is doing and the scores are going to go down. The district has had enough of CAT scans and MRI's and it needs a period of time to teach these children. The state report already says that this is a good school system. She is hoping that they will find some insights in this report that helps the district be even better. If that can be accomplished, then it is all worthwhile.

Mr. Eramian referred to the financial forecast and indicated that a number of new programs would be coming in with regard to high school reform. He asked Mr. Abrahams if the future years' financial forecast would attempt to quantify those types of issues or at least

list them and indicate that these are not included. Mr. Abrahams responded that the way it stands now that based on the July 20th meeting, they have identified those upcoming, unfunded mandates. He has actually written the section on these unfunded mandates that are not forecasted. Based on the July 20th meeting and knowing the timetable of this study, he doesn't think collectively that they felt that the school department could reasonably estimate the fiscal impact of these unfunded mandates. However, to include in the discussion on what those mandates are and the potential significant fiscal impact of those mandates he felt is important. He drafted it as far as he could go, but he has to wait for Mr. Laliberte and Mr. Scaffardi to return from vacation.

Mr. Eramian stated to Mr. Abrahams that he had mentioned that there had been changes, or wordsmithing, to his report by members of the administration. He asked if the general public would be able to tell where they changed Mr. Abrahams's words, and Mr. Abrahams's response was, "How could I answer that question?" Mr. Eramian asked if there would be italics on the editorials. He further commented that he would assume that the answer to that question would be that the public would not know. He asked Mr. Abrahams if he would be signing the report, and Mr. Abrahams said that he would be signing it.

The committee thanked Mr. Abrahams for attending this meeting.

Mrs. White called for a recess at 9:30 p.m.

Mrs. White reconvened the work session at 9:40 p.m.

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2. Nutrition Committee Report

Mrs. White turned the work session over to Mr. Stycos who is the Chairman of the Nutrition Committee.

Mr. Stycos had distributed to each of the committee members a copy of the School Nutrition Committee Report, a copy of which is attached for the record. He stated that he would give a very brief presentation on this report. What the Nutrition Committee members had to say was already included in the report, and he did not wish to read the report to everyone. He thanked the members of the committee. There was a very dedicated group of people on this committee who had a lot of different opinions. They met approximately twice a month from January to June. They typically had fifteen or twenty people at a meeting, and they did a lot of talking, discussing, and compromising. If any one person were going to write this report, they would make some sections stronger and some sections weaker, but this is the consensus of the committee in an attempt to compromise on some pretty difficult issues. He also thanked Mr. Marrocco for the way that

he served on the committee. They really went through what he does with incredible detail asking why he puts certain items next to the cash register, why a certain item costs so much, and Mr. Stycos felt that it was very difficult for anyone to have their job dissected the way the committee dissected his. Mr. Marrocco was always very patient explaining things, and the committee learned an awful lot about how the lunch program works financially. He was very patient in explaining and trying to make some changes that people thought were needed.

Mr. Stycos went on further to explain that the report is broken down into four areas: the breakfast program; the amount of time for lunch; the lunch offerings-the food at lunch; and the vending machines. He suggested that the committee go through the report portion by portion of the four sections. He noted that the committee recommendations were included in the report. It was his intention to offer resolutions at the next School Committee meeting to implement the recommendations that have something to do with School Committee action and put it up for questions and answers.

Mr. Stycos asked the Nutrition Committee members to introduce themselves. Mr. Stycos explained that on the inside page of the report there was a list of committee members and another category titled "other participants." The committee members were all the people in the resolution who were appointed by various people. Other participants were other individuals who were interested in the

topic and attended the meetings. That group attended the meetings regularly.

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Breakfast Program

Mr. Stycos reported that the concerns the committee had essentially were trying to limit the cereals to those that had high fiber and low sugar content and varying the menu with different items including more fresh fruit.

Mr. Lupino referred to the fresh fruit and noted that fresh fruit is very perishable. He asked Mr. Marrocco if he could see this as part of the program, and Mr. Marrocco said that it is a part of the lunch program already. He would simply move it from lunch to breakfast the next day, and it would work out faster for him. He would anticipate ordering the same amount of fresh fruit. Many times the teacher aides forget to put it out for breakfast so that this will insure that they will have to put it out that day.

Mr. Drager asked if it would increase the cost for lunch, and Mr. Marrocco responded that this was his main concern that whatever they did it would be incorporated so that it would not increase the

cost of breakfast or lunch. He may increase the cost of some items such as the unhealthy items to get the kids to buy the healthier items.

That is one of the committee's recommendations. Mr. Marrocco further commented that he tried to make the committee understand right from the beginning that there are regulations that Food Service must follow for their standard recipes and menus, and that everything would shape within it and nothing would change.

In response to Mr. Cardarelli's question, Mr. Marrocco said that the universal free breakfast was offered last year, and the same thing will be done this year, however, now he will make sure that some of the items offered at lunch such as bananas, apples, yogurt, and oranges will be incorporated into the breakfast offerings. It will already be at the schools. He is taking away the fruit juice and replacing it with fresh fruit. Mr. Cardarelli asked if it would affect the same number of children as in the past, and Mr. Marrocco responded that in September he would indicate when this program would start. It will be advertised on the menus. It is discussed in the schools as well. Mr. Cardarelli asked if he has seen any increase in the numbers, and Mr. Marrocco replied that when the weather is at its worst, the numbers are high. This year for the Universal Breakfast Program the numbers were up. He doesn't know what will happen this year with the choices, but they will try it. He feels the numbers will stay the same. Many of the parents in Cranston still serve breakfast to their children at home. Mr. Cardarelli added that he has the menu on his refrigerator at home all the time, but he doesn't know of anyone who

would utilize it all the time in the schools. He doesn't remember it being marketed at all. The highest increase was with the pay students and not the free or reduced lunch students. Mr. Marrocco added that the marketing is done in the individual schools, and a letter is sent with the application for the free and reduced children. Mr. Cardarelli added that his wife has never mentioned the breakfast menu to him but does mention the lunch menu.

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Lunch Period

Mr. Stycos stated that a lot of time was spent discussing the lunch period. It was very difficult with a lot of different factors involved. The elementary schools have thirty minutes; the middle schools are twenty-two minutes; and the high schools when the committee started were both at eighteen minutes. After this long discussion, Judy Fox, who is one of the members, indicated at one of the meetings that the committee was not capable of making changes for the high schools. She suggested that the committee offer twenty-two minutes as what it should be. The committee can only recommend a change, but there is no statement that gym should be cut five minutes. Since this report has been written, Mr. Lemoi has changed the schedule at Cranston West, and the lunch period is now twenty minutes. This is a two-minute increase. Mrs. Ciarlo added that the

study halls would not count as lunchroom periods. At Western Hills, there are four lunch periods, and they cannot afford to add any more. Depending upon the mandates, it might not be realistic to increase the length of time for lunch period. Mr. Drager added that for the schools that have three or four lunches, they start the lunch periods at approximately 11:00 a.m., and this should be taken into consideration. The time is rather early. One of the committee members noted that some schools start very early, and that lunchtime would not be considered early for those students who may be getting dismissed at 2:00 p.m. It would be interrupting their day at the end of the day if lunches were even later.

Mr. Lupino asked if there was the possible elimination of homeroom at Cranston West, and Mrs. Ciarlo responded that this was not done to her knowledge. She will look into this further. Mr. Stycos added that one difference between East and West had to do with the way they are dealing with the personalization. They are doing it in two different ways, and the way it is being done at West is making it possible to have this extra two minutes for lunch period. There was a lot of discussion regarding eliminating homeroom, and that was done at the school where Alex Caserta teaches in Connecticut. When the committee got into that discussion, they decided that the Nutrition Committee should not be the ones to make the recommendation as to whether or not homeroom was necessary. Mr. Draycott mentioned some of the material in the report that discussed the importance of adequate time for lunch. They did not find anywhere that a shorter

lunchtime is a good thing. There is a lot of documentation that said that this is an important time for students not only to eat but also to socialize. With only eighteen minutes, it is easier to take fast food rather than taking the time to have a fresh fruit salad. It is picking up a bad habit; it is rushing through it like everyone does.

Mr. Flynn stated that the teachers at Cranston East would love to have a longer lunch period as would many of the students. He thought that a downside to it would be the lag time which often lends itself to more disruptive behavior. The concept is very good when they have to get in and get out, and while it may not be nutritious or healthy, it does limit the amount of disruptive behaviors. As someone who has had cafeteria

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duty for many years, he could attest to it. Mr. Draycott added that he has spent much time on cafeteria duty, and that there are always a few who will cause mischief, but rushing kids through their scheduled day is an easy out of here. His school is approximately 800 or 900 students. Mr. Flynn added that twenty to twenty-two minutes is a happy medium, but over that the school will be opening itself up to other things. Mr. Stycos said that he would draft something asking administration to look at the twenty-two minute lunch period and give a report back to the School Committee on what the implications of it would be.

Lunch Program

Mr. Stycos stated that when the School Committee and administration read the recommendation they will find that many of the recommendations have to do with work in progress. There are real economic limits on what can be done. As Mr. Draycott pointed out, time is a factor, and in eighteen minutes, the school cannot offer students a sandwich that is made in front of them that is desirable to them. The whole commodity program is a problem. If Mr. Marrocco is going to make it financially, he has to use the commodities, and those commodities often are not the best food. This is one of the pressures in this whole issue.

Mr. Drager referred to paragraph 4 under recommendations. It states that the School Committee adopt a policy that no prepared food, except food prepared by the food service program,... He stated that this would eliminate vending machines. Mr. Stycos responded that this would include free food and not vending machines that the committee was addressing. Mr. Marrocco commented that they had been discussing bringing in food from outside for a diversified experience. Mr. Drager suggested that the committee modify this particular paragraph. He also noted that vending machines have prepared foods in them. Mr. Lupino added that this could refer to yogurt that is sold in a vending machine. Mr. Stycos explained that for birthday parties, it is referred to in paragraph 5. The point that Mr.

Drager brought out that Mr. Stycos incorrectly answered is paragraph 4. He agreed with Mr. Drager's comment regarding the vending machines because this was not the intention of paragraph 4. The intention in paragraph 4 was largely that the first concern was a health concern as is explained in the text before the recommendation.

When prepared food comes in, there is the potential that when food service is not preparing them there is the possibility for spreading disease. There was a lengthy discussion regarding PTO bake sales conducted in the schools. Mrs. White felt that it would be unfair to discontinue these types of sales because they benefit the schools. They sell ice cream and other items, and it wouldn't be fair. Mr. Marrocco stated that he thought the Nutrition Committee's intent was that the Food Service Program could offer the same things that are made instead of having a parent making them at home where there may be unsanitary conditions. Mrs. White responded that who is anyone to say the conditions are unsanitary. Mr. Stycos added that the point is that no one knows whether or not there are unsanitary conditions. Mrs.

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Greifer, a member of the Nutrition Committee, indicated that she has heard horror stories about food that was bad. Mr. Marrocco cited an example where someone had made an omelet soufflé and some people became sick because it came from the outside. Mrs. White felt that all 11,000 students would be penalized for a few situations. Mr.

Marrocco added that the Nutrition Committee's intent was to bring more money into the food program. Mrs. White stated that this is an entirely different issue. Mr. Drager added that this wouldn't help the students or the PTG's.

Mr. Cardarelli felt that there were different issues. There is one thing about selling ice cream. He could see the nutritional reasons on why they wouldn't want to sell ice cream in the elementary schools. He is not in favor of it, but the argument can be made. The nutritional argument is there, but the sanitation argument is not there. The ice cream company brings in the ice cream and provides the freezer for it. The ice cream is packaged, and the adults are there for supervision. By selling it to the children, the PTG's make money. He doesn't think there are any safety concerns there at all. Mr. Marrocco would have to have a hot line in order to clear food items through him. He would be receiving phone calls all day long. On certain issues, there is validity to them. He would be concerned with some parents operating some foods, and many of the students have health concerns. This would have to be looked at very closely because many children have serious food allergies. Mr. Marrocco indicated that the committee was not referring to ice cream but rather baked goods and foods prepared at home. Mrs. White commented that as a parent she wouldn't care if her child ate a cup cake. In her home, she has many sweets, and that is her prerogative as a parent.

Mr. Stycos felt that Mrs. White was mischaracterizing what the fifth

paragraph said. The committee did discuss at length this issue of birthday parties, and the committee came to the conclusion that the Food Service Director would prepare guidelines and recommendations. He would make suggestions and give ideas but would not state rules. Those guidelines would emphasize food safety, awareness of food allergies, and encourage fruits and vegetables. As far as whether or not a parent makes cup cakes to bring into her child's class, that is totally up to the principal, the teacher, and the parent under this section. Hopefully, if the system works right, the parent would get a flyer that Mr. Marrocco prepared stating that the Food Service Program recommends that the parents try instead of having cup cakes offer carrot sticks, etc. There will be no rules. Mr. Drager noted that under Policy in the previous paragraph it states that the School Committee would adopt a policy. Mr. Stycos responded that this should be looked at. The intention of paragraph four is that many different things are going on in all of the schools. In some schools, there are bake schools; in others ice cream is sold. The committee in this paragraph is trying to get some type of overall look at what is going on. One issue is food safety and the other is food nutrition. The food safety is obvious, but under nutrition, it is not that ice cream is not the greatest food, but rather that children are coming in on ice cream day, and they are using their lunch money to buy ice cream instead of lunch. It is not in addition to lunch. With the bake sales, the

same holds true. He recalled that at some schools ice cream is not sold just once a week; it is two or three times a week. This committee felt that this was a problem, but they couldn't come up with a rule so that is why exceptions could be made with the approval of the Food Service Director. These issues could be funneled to Mr. Marrocco, and he would make some recommendations. Obviously, if he says there will never be ice cream in any of the schools, the principals will notify administration, and the issue will have to be worked out. It will be Mr. Marrocco's responsibility to know what is going on and have some control. Mrs. White remarked that she had a problem with one person making decisions such as these. Parents will be calling the School Committee complaining about the procedures.

Mr. Cardarelli stated that he has sold ice cream at Waterman School numerous times over the past three years. He doesn't understand how Mr. Marrocco would solve this problem because he could say in every single case that he approves of it because safety wise it is a no brainer. He could say that safety wise it is fine but health wise it is terrible. He doesn't understand how Mr. Marrocco will be able to supervise it and stop the child from not buying lunch at all. This would be impossible to do. There is one person who works the food line. The students barely have enough time to eat and then get into the ice cream line. Mr. Marrocco will not be at Waterman School to police this, and no one will be able to police the child who skips lunch. They buy their tokens in the morning in their classrooms. He

felt that an older child would be more apt to buy ice cream with his token than a younger child. At Waterman School, ice cream is sold only one day per week, which is Friday. If the parents at a school indicate they want their children to have ice cream, they have a right to do that. Mrs. Ciarlo stated that the principals could be asked to rethink the ways they are raising money and see if there are alternatives ways to do it. She wants to make sure there is quality food, but she doesn't want Mr. Marrocco signing off on whether or not the students can buy ice cream. Secondly, health classes are conducted in the elementary through high schools. That is where the students can be educated. Given the busy society, the parents don't have time to teach their children to eat healthy. As a result, it becomes a habit, and it is difficult to change those bad habits. When the recycle bins were first introduced into the city, the students in their health classes were taught about the bins and how to use them. The children in turn taught their parents. This committee has to keep in mind what the parents at the schools want. They determine what their children will eat and not eat. Education with regard to staying away from nuts, etc. is the kinds of things the school district can do to keep itself out of harm's way.

Mr. Eramian stated that the School Committee lobbied the Rhode Island congressional delegation to increase nutritional quality of commodities and subsidized purchasing of fresh fruits and vegetables. That is a national policy that was established. He thinks it is a good idea, but it gives limited ability to be successful. He

asked who lobbies them and pushed their buttons. Mr. Marrocco responded that they are lobbied by the American School Food Service Association, Kids First, and through grants. Mr.

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Eramian asked how this policy gets changed and who has to change it. Mr. Marrocco responded that Senator Dole and another senator drafted it, and it was recently changed. A member of the committee indicated that it is a Child Nutrition Bill and explained its contents. Rhode Island has been chosen to participate in a program, and this is where she sees possible lobbying by school districts in Rhode Island to their delegates to push for Rhode Island to be able to get into this pilot program. Mrs. Ciarlo suggested contacting Senator Reed in this regard.

Mr. Eramian referred to the first paragraph under recommendations and asked if October 2004 was sufficient time for Mr. Marrocco to experiment with more nutritious foods and then report back to the Nutrition Committee. Mr. Marrocco responded that he actually started the end of last year and will continue it again this year. It was very successful toward the end of the school year. He has tried to position certain foods such as wraps, different salads other than the ones normally sold, fruits and vegetables, special types of chips, etc. Some items were successful, and some were not. He further stated that October 2004 is sufficient time to collect data.

Mr. Cardarelli asked Mr. Marrocco if he had ever considered having a student food marketing group, for example, at the Career and Technical Center. Mr. Marrocco responded that he tried it on an individual school basis, and the students lost interest. He has tried it approximately three times in his eighteen years with the school department. The students lost interest quickly because they weren't making any profit. He cited the example of a salad bar where it is successful for one week and then slows down the following week. The students then lose interest; they don't understand how it works.

Vending Machine Sales

Mr. Drager referred to paragraph one under recommendations and asked how soda or sports drinks could be sold from vending machines only after school, and Mr. Stycos stated that timers would be placed on the vending machines. One member indicated that one vending machine would have 100 per cent juice, water, and some other more nutritional items, and another would contain soda and sports drinks. The machine would not be unplugged but rather would have a timer on it. The students would not be able to buy soda at 7:00 a.m. in the morning.

Mr. Drager referred to paragraph two under recommendations and took issue with the fact that there would be policy stating that elementary students would not be allowed access to vending

machines. Mr. Cardarelli asked that with regard to milk if flavored milk would be offered. He has noticed that the milk vending machines in the Briggs Building were no longer there, and Mr. Marrocco responded that New England Ice Cream Co. removed them because there wasn't enough milk being sold. Mr. Cardarelli asked where the milk vending machines are located, and Mr. Marrocco said there was

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one in the cafeteria at Western Hills. Mr. Cardarelli asked how the sales of milk could be increased in vending machines, and a member of the committee indicated that the price of milk could be competitively priced with the soda price or shut off the soda machines. Mr. Stycos felt that the milk would be a work in progress. Pepsi and Coke have full lines of water and 100% juices as part of their product line, but they don't have milk. The Nutrition Committee doesn't have an answer as to where the milk is coming from. The economics may change in the future. They did try the milk machines recently, and it was not successful. In the future, they may come in again. Mr. Cardarelli said that he could buy milk in the lunch line, so he didn't understand that milk has always been an option. If he wanted milk, he would simply go through the lunch line and buy it. Soda in the machines is at least \$1.00. The milk has always been there, and it is cheaper. Mr. Stycos added that it was available only during lunchtime, but it was not available for 40 cents after school.

Mrs. Greifer felt that milk was a small part of it and that it was more important that water and fruit juices are available. Mr. Cardarelli commented that the Nutrition Committee would like to take out the soda machines, and the logical thing to do at lunchtime would be to tell the students that soda would not be an option for them at lunchtime and they should be drinking milk at lunchtime. The milk is cheaper and affordable at lunchtime. Mrs. Greifer commented that with the changing demographics in Cranston, milk is not a popular item with kids any more. There is a large lactose intolerance population now, and milk is no longer the beverage of children. If the children want to drink something other than milk, they should drink water or juice.

Mr. Lupino asked if the school district could speak with Coke and Pepsi to put out water and 100% juice drinks and also if the 100% juice was more nutritious than the sugar fortified. One of the members indicated that the 100% juice contained more vitamins and minerals. Mr. Lupino asked if machines could be separated that would contain water and juice. One of the members indicated that this question would have to be asked of the vendors. Mr. Lupino asked if the district could lease/purchase vending machines to offer milk. Mr. Marrocco stated that the school department would be responsible for stocking it and taking care of the money. The milk also spoils.

Mr. Eramian asked if anyone had spoken to the vendors who

currently have soda machines in the schools. He further commented that it sounds wonderful that for a period of the day, be it lunch only or the school day, there will be no soda sales. The problem is whether or not there would be enough business to warrant the machines. He asked if it puts the school administration in a situation where now every third book bag comes in with a 20 oz. Pepsi in it because a student can't get it at lunch, and that child's parents think it is okay. The school would then have to police this activity. He was sure that case studies have been done where it has occurred elsewhere. It is one thing to promote good nutrition, but when one gets to the absolute lack of freedom of choice as opposed to educating, he asked if the committee would be putting

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administration into yet another role of now policing because he has visions of book bags filled with Coke cans. There have to be case studies involving other school districts.

Mr. Lupino indicated that he knows of students at Cranston West who will have their own little black market business going on.

Mr. Draycott, a member of the Nutrition Committee, indicated that this is a very hot topic. The school principals negotiate their own deals with the vending machine companies. The schools depend on this money to do what they want to do. It bothers him that the principals

are sacrificing the health of the students and sending the wrong message that soda is good for them. Because it is coming from the school, the students think it is okay. As a school system, it is being endorsed. If there is going to be a black market where students will sell it, it will happen anyway. There will certainly will be less sold than now. If a parent wants his child to have a soda, he or she will give it to their child. He would like to see the soda and snack machines after school at sporting events where many of the schools raised a lot of money from people outside the school. Soda would still be available after school rather than during the day when the sugar affects their test scores.

Mr. Drager commented that the Nutrition Committee did a great job in looking at all the aspects of nutrition. With respect to Mr. Eramian's comment, Mr. Drager felt that the vendors have certain products in their machines that produce a profit, and that is what they care about.

They make more of a profit off soda than 100% juices. If these companies are not making their profit margin, they eventually will take them out of the schools. One of the members sited an example in Johnston where the principal of Ferri Middle School went to her supplier and told them that she wanted no more soda in her school. She asked that the machines be turned over to water and 100% juice. At the middle school level, it will work, but at the high school level, it will gradually have to be done. At her school, the students bought the water and juice, and the supplier did not change her contract. She sited another example in Warwick where it was done as well. She

noted that other school districts are doing the same. Mr. Stycos added that a lot of this is driven not by sales but by branding. In many of the soda contracts, there is a big upfront money payment plus a percentage of sales. A lot of their interest is in getting the kids to buy Dasani, Coke, Tropicana, etc.

Mr. Cardarelli said that he has noticed going to various Cranston East functions that the girls carry the diet soda cans. He asked what changes on the student side with regard to nutrition when they are carrying the diet can, because it is brown colored water. A member of the committee stated that the sugar is removed and an unnatural substances are added. It is not known if the diet soda is more harmful to people. Mrs. White asked what happens to the student who cannot drink juice because of the acid and can't drink water because it makes him or her stick to their stomach. She stated that she is one of those kids, and she dislikes soda. This would eliminate her from having anything if she were in school. Mrs. Greifer responded that there will always be

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exceptions. Mrs. White commented that government should stay out of her personal decisions. The government is becoming too involved in people's personal lives and decisions. They are taking more and more decisions away from parents. Pretty soon the schools will be changing diapers and giving children supper. She told the Nutrition

Committee that they did a wonderful job with their work.

Mr. Cardarelli asked if there were candy machines in the cafeterias, and someone responded that they are immediately outside the doors.

Mr. Marrocco remarked that federal regulations prohibit the sale of non-nutritional items in a cafeteria.

Mrs. Ciarlo stated that if the schools received better funding, the principals would not be so intent on using these machines. They are depending upon the sales from these machines. The school systems should be able to supply the items needed from their annual budget, and it is sad that they can't.

Mr. Draycott commented that there are other means of funding, but there are others things than can be done that they haven't tried. It is very easy to sell soda, and it is quick money. There are other things that can be done, but they take more effort. Mr. Draycott distributed a brochure on alternative fundraising ideas and also one regarding soda and what its sales mean to a school versus its implications to students.

Conclusion

Mr. Stycos, in conclusion, stated that the committee should continue working on a number of these issues, especially the lunch issue.

Mrs. White asked Mr. Stycos if his committee would be presenting different resolutions on the agenda, and Mr. Stycos said that he would present various resolutions. Mrs. White felt that separate resolutions would be the better way to present it. Mr. Eramian agreed with Mrs. White's opinion. He thanked this committee for all their efforts.

Moved by Mr. Palumbo, seconded by Mr. Drager and unanimously carried to adjourn the work session.

There being no further business to come before the work session, it was adjourned at 10:50 p.m.

Respectfully submitted,

**Michael G. Cardarelli, Jr.
Clerk**